

DIRECT TESTIMONY

of

DIANNA HATHHORN
ACCOUNTANT

Accounting Department
Financial Analysis Division
Illinois Commerce Commission

Petition for an order approving an agreement for the provision of facilities and
Services and the transfer of assets between affiliates pursuant to Sections 7-101
and 7-102 of the Illinois Public Utilities Act

North Shore Gas Company and The Peoples Gas Light and Coke Company

Docket No. 16-0238

September 1, 2016

1 **Witness Identification**

2 **Q. Please state your name and business address.**

3 A. My name is Dianna Hathhorn. My business address is 527 East Capitol
4 Avenue, Springfield, Illinois 62701.

5
6 **Q. By whom are you employed and in what capacity?**

7 A. I am an Accountant in the Accounting Department of the Financial
8 Analysis Division of the Illinois Commerce Commission ("Commission").

9
10 **Q. Please describe your background and professional affiliation.**

11 A. I am a licensed Certified Public Accountant. I earned a B.S. in Accounting
12 from Illinois State University in 1993. Prior to joining the Commission Staff
13 ("Staff") in 1998, I worked as an internal auditor for another Illinois state
14 agency for approximately 3 ½ years. I also have 1 ½ years experience in
15 public accounting for a national firm.

16
17 **Q. Have you previously testified before this Commission?**

18 A. Yes, I have previously testified on various regulatory accounting issues.

19
20 **Q. What is the purpose of your testimony in this proceeding?**

21 A. The purpose of my testimony is to report the results of my review of the
22 WEC Energy Affiliated Interest Agreement ("WEC Energy AIA") (NSG-

23 PGL Ex. 1.1) applicable to North Shore Gas Company (“North Shore”) and
24 The Peoples Gas Light and Coke Company (“Peoples Gas”) (individually,
25 the “Company” and collectively, the “Companies”) as presented by their
26 witness William J. Guc. (NSG-PGL Ex. 1.0).

27

28 **Q. Do you include any attachments with your testimony?**

29 A. Yes, I attached as Attachment A, the Companies’ response to Staff Data
30 Request DLH 1.03.

31

32 **Q. What is the purpose of the proposed WEC Energy AIA?**

33 A. The proposed WEC Energy AIA will consolidate and replace two affiliated
34 interest agreements (“AIA”s). The first AIA to be replaced is the agreement
35 approved in Docket No. 07-0361 which allows the Companies to receive
36 services from the legacy Integrys holding company system (the “WBS Reg
37 AIA”). The second AIA to be replaced is the agreement approved in
38 Docket No. 14-0496, and amended in Docket Nos. 12-0273/13-0612
39 (cons.), which allows the Companies to provide and receive a broad array
40 of services (the “14-0496 WEC Energy AIA”). (Petition, para. 11).

41

42 **Q. If the proposed WEC Energy AIA is approved, which AIAs will remain**
43 **in place, be revoked, and become effective for the Companies?**

44 A. This information was provided by the Companies in their response to Staff
45 data request DLH 1.03 and is shown in Attachment A to my testimony.

46

47 **Q. What are your recommendations regarding the proposed WEC**
48 **Energy AIA?**

49 A. Based upon my review, nothing has come to my attention which causes
50 me to propose any changes to the WEC Energy AIA. Accordingly, I have
51 no objection to the Commission approving it. Further, I recommend the
52 Commission in its final order, direct the Companies to file a copy of the
53 signed, executed agreement on the ICC's e-Docket system in Docket No.
54 16-0238, and send a copy of the same to AccountingMgr@icc.illinois.gov.

55

56 **Conclusion**

57 **Q. Does this question end your prepared direct testimony?**

58 A. Yes.